

**Before the State of South Carolina  
Department of Insurance**

In the matter of:

Lauro Diaz  
305 South Summit Avenue, Apt. 1  
Charlotte, North Carolina 28208-4555

SCDOI File Number 2004-120708

**Order Revoking All of  
Non-Resident Insurance Producer's  
Licensing Privileges**

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance, Lauro Diaz, a licensed South Carolina non-resident insurance agent, and the complainant in this case, American Republic Insurance Company, his ex- employer. Among other things, the Agreement required Diaz to make restitution of monies owed to the Insurer, starting with the first payment, which should be made no later than July 10, 2004. The Agreement also required Diaz to provide his correct addresses and telephone numbers. Finally, the Agreement Order specifically provided that Mr. Diaz's license would be revoked without any further administrative proceedings upon his failure to timely make this restitution, and/or to provide exonerating evidence on the charges of Fraud and Forgery elevated against him.

The Department is informed and believes that as of August 30, 2004, Lauro Diaz had not paid any restitution required by the Agreement, nor complied with the other terms of the Agreement. On that day, therefore, counsel for the Department filed an Affidavit of Default, and the entire matter was submitted directly to me to summarily revoke the licensing privileges issued to Lauro Diaz.

In accordance with my findings of fact, I now conclude, as a matter of law, that Diaz has failed to comply with the terms of the Agreement and that the licensing privileges issued to him should be revoked.

This administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2003). Nothing contained within this administrative disciplinary order should be construed to limit or to deprive any person of any private right of action under the law. Nothing contained within this administrative disciplinary order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement or judicial officer. Nothing contained within this administrative disciplinary order should be construed to limit the statutory duty, pursuant to S.C. Code Ann. § 38-3-110 (4) (Supp. 2003), of the Director of Insurance, exercised either directly or through the Department of Insurance, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the law relative to the business of insurance or the provisions of this title which he considers necessary to report."

It is therefore ordered that Lauro Diaz' license to transact business as a non-resident insurance agent within the State of South Carolina be, and is hereby, revoked, and that no license, issued through the State of South Carolina Department of Insurance is to be issued to him.

It is further ordered that a copy of this order shall be transmitted to the National Association of Insurance Commissioners for distribution to its current member states and to each insurer for which Lauro Diaz is currently licensed, through the State of South Carolina Department of Insurance, as a non-resident insurance agent within the State of South Carolina.

This order becomes effective as of the date of my signature below.

A handwritten signature in black ink, appearing to read "Gwendolyn Fuller-McGriff".

Gwendolyn Fuller-McGriff  
Deputy-Director

30 August 2004, at  
Columbia, South Carolina

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SCDOI File Number 120708


Lauro Diaz,  
305 South Summit Avenue, Apt. 1  
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**Affidavit of Default**

Personally appeared before me John O'Neal, who, being duly sworn, stated that at all times relevant to this Affidavit of Default he was an attorney representing the State of South Carolina Department of Insurance in this administrative action. He further stated the following:

The Department served notice on the above-named respondent, at the address detailed above by a Letter of Allegation and Notice of Opportunity for a Public Hearing that the Department would request the Director of Insurance to summarily revoke his license to act as a non-resident insurance producer within the State of South Carolina in thirty days. The Department served the Notice, pursuant to S.C. Code Ann. § 38-3-170 (Supp. 2003), by "depositing it in the United States mail, postage prepaid, addressed to the last known address of the person and registered with the return receipt requested." That Notice further informed respondent of his opportunity, within thirty days, to request in writing a public hearing, by notifying the Administrative Law Court and payment of the corresponding filing fee.

The United States Postal Service effected service of the Notice by certified mail, return receipt requested, and by regular mail, on or about March 17, 2004. The respondent subsequently opted not to request a public hearing, and "placed himself at the mercy of our Department." Mr. Diaz also promised to refund all the monies to the Insurer, by signing an agreement with American Republic Insurance Company, dated June 15, 2004. However, Mr. Diaz, has never made a single payment to complainant in this case. The time in which to do so has expired. Lauro Diaz is now in default on both counts.

  
John B. O'Neal, III  
Associate General Counsel

Sworn to and subscribed before me  
this 1st. day of September, 2004



Steven R. DuBois  
Notary Public for the State of South Carolina  
My Commission Expires May 10, 2009

South Carolina Department of Insurance  
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Columbia, South Carolina 29202-3105  
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